



CITY OF PORT LINCOLN
**LONG TERM
FINANCIAL PLAN**
2026-2035



ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the Barngarla People, the Traditional Owners of the land on which the City of Port Lincoln rests and their continuing connection to land, sea, culture and community. We pay our respects to Elders past, present and emerging, and we extend that respect to other Aboriginal and Torres Strait Islander people in our community.



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Prepared by **City of Port Lincoln**

Adopted by Council

1 July 2025

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INTRODUCTION

The City of Port Lincoln's Strategic Management Plans are:

- the Strategic Directions Plan, which provides the community vision and Council objectives that drive Council's decision-making and activities;
- the Long Term Financial Plan (LTFP), and
- Strategic Asset Management Plan (SAMP).

The latter two Plans are essential to enabling and ensuring the delivery capability and financial sustainability of the community's needs, expectations, and plans over the future ten-year period.

The LTFP is a financial representation of the strategies Council has endorsed to achieve its objectives over the medium to long term. Similar to an annual budget, but not as detailed, the LTFP identifies Council's projected revenue and expenses over a ten-year cycle, adjusting new capital expenditures and other factors where needed to maintain a sustainable outcome. The LTFP provides a financial roadmap with the ability to adjust the scope and timing of the use of limited resources and to act proactively within a sustainability framework when unexpected issues arise.

The LTFP is also a rich source of information that will improve Council's ability to model, forecast and make decisions on possible future funding for operational needs, renewal and replacement of existing assets and new and upgraded assets to meet future service demands.

The Council must review the LTFP annually, in conjunction with the adoption of the Annual Business Plan (ABP), to account for any material changes arising from the adopted ABP and budget, which is a detailed representation of Council's immediate capital and operational commitments.

LONG TERM FINANCIAL PLAN - FINANCIAL REPORT OUTPUTS

Council's LTFP modelling has produced a set of reports in line with the Model Financial Statements as approved by the South Australian Local Government Association (LGA SA). These reports provide a ten-year projection, accounting for capital expenditure planned in the SAMP and revenue and expenditure policies identified in the ABP and SAMP. These reports are included as [Appendix A](#) and include:

Statement of Comprehensive Income

A requirement under accounting standard AASB 101.81A. The Statement of Comprehensive Income is a combination of a Profit and Loss; revenues and expenses of operations whose net effect produces an Operating and Net Surplus/(Deficit), and Other Comprehensive Income; typically includes disclosures relating to changes in revaluation surplus, gains and losses on defined benefit plans, gains and losses arising from translating the financial statements of a foreign operation, gains and losses on re-measuring available-for-sale financial assets, and the gains and losses on hedging instruments in a cash flow hedge.

Balance Sheet

Also known as a Statement of Financial Position (AASB 101.54), this report shows the accumulative value of Council Assets (current and non-current), Liabilities (current and non-current), Net Assets (total Assets less total Liabilities) and Equity. This report is presented with a comparative to the previous year.

Statement of Changes to Equity

A requirement under accounting standard AASB 101.106, this statement provides a reconciliation of the equity components; Accumulated Surplus/(Deficit), Asset Revaluation Reserves, and Other Reserves. The reconciliation is also required to show a comparison for each item of equity between the opening and closing balances resulting from changes in the Statement of Comprehensive Income, transfers in equity distribution, and adjustments to subsidiary ownership that do not represent loss of control (AASB 101.106(d)).

Statement of Cash Flows

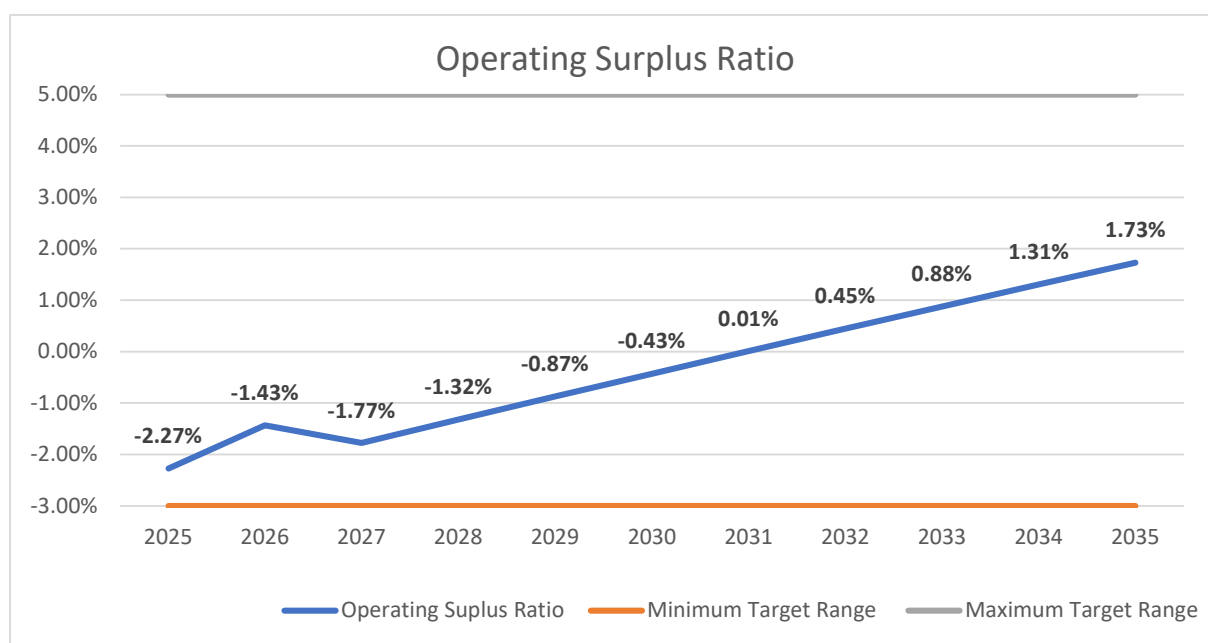
A requirement under accounting standard AASB 101.111, this report presents information on how the Council generates Cash and Cash Equivalents (AASB 107 – Statement of Cash Flows), and where this cash is utilised within the business operations; cash flows from operating activities, investing activities, and financing activities.

FORECAST OF KEY FINANCIAL SUSTAINABILITY INDICATORS

Note 15 of the South Australian Model Financial Statements (Local Government (Financial Management) Regulation 2011, Reg. 5(1)(c)) sets out the key local government financial sustainability indicators.

The LGA SA has recommended using three of these financial indicators in the preparation of a LTFP as they provide guidance in strategic, infrastructure and financial decision-making processes.

Operating Surplus Ratio – Indicator 1

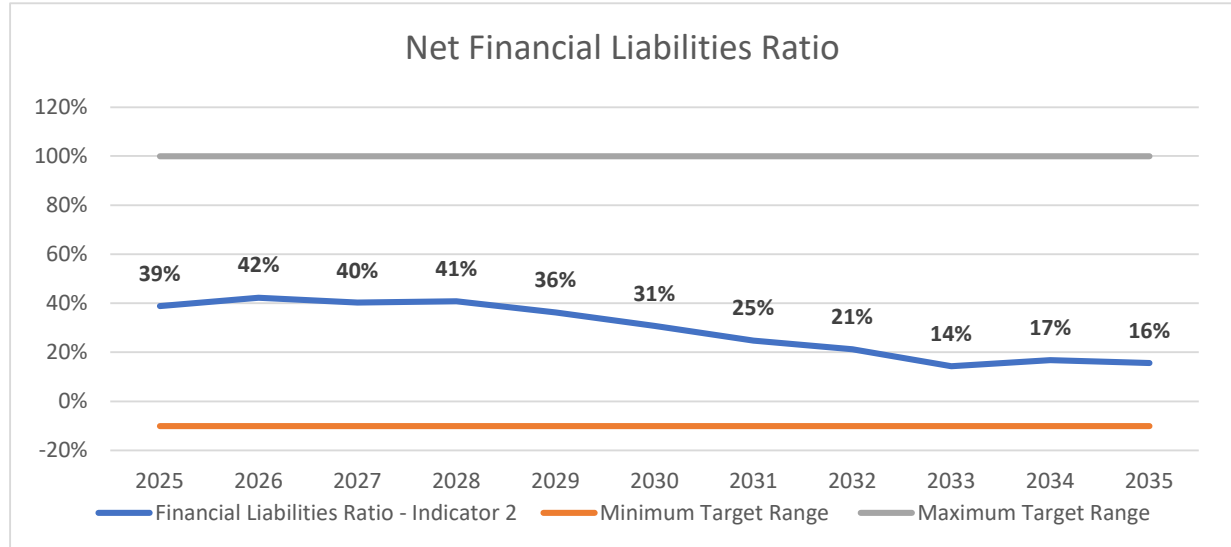


Calculated as Operating Surplus/(Deficit) divided by Operating Revenue - “Is Council covering its operating expenditure and depreciation charge from its operating revenue?”

- Positive percentage result indicates that Council is covering these costs and indicates available funding for future capital expenditure or ability to pay down debt.
- Negative percentage result indicates that Council is not covering these costs and the percentage increase required in operating revenue or the approximate decrease in operating expenses required to achieve a break-even operating position.
- The Operating Surplus Ratio forecast for the 2025/26 financial year is a deficit of -1.43%. This result represents the operating income budgeted to be \$431,490 less than Council’s operating expenses for the year.
- The LTFP reflects a steady improvement to the ratio over the ten-year period.

Net Financial Liabilities Ratio – Indicator 2

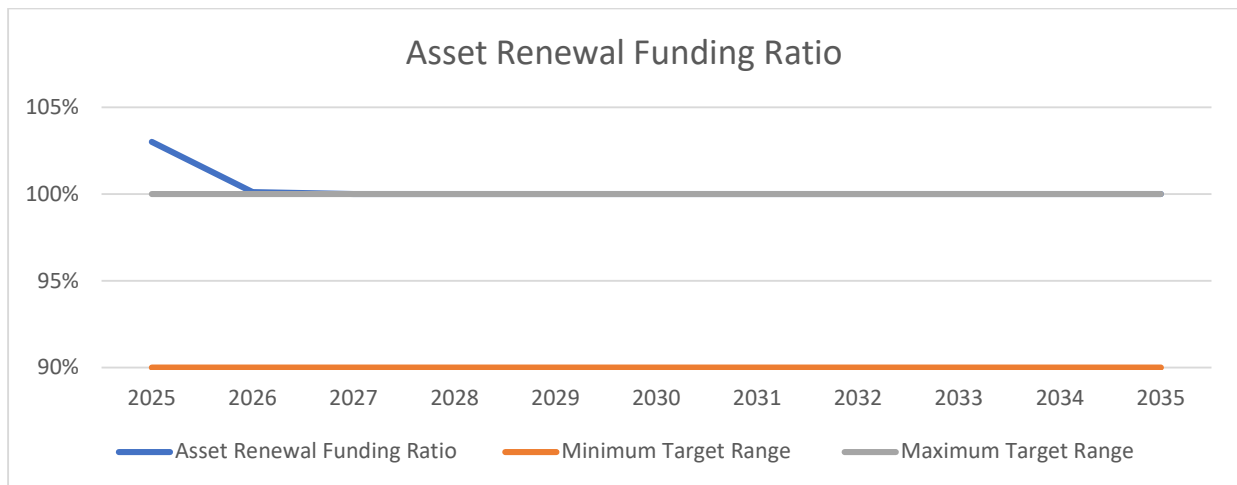
Calculated as Net Financial Liabilities divided by Total Operating Revenue – “Does Council have a manageable level of debt and other liabilities when considering its available revenue and other cash reserves?” (Note - Net Financial Liabilities equals total liabilities less financial assets excluding equity accounted investments in Council businesses).



- Suggested target ratio: between 0% and 100% (Financial Indicators 2019 (LGA SA Information Paper 9), p. 7-8). Council Target Range is -10% to +100%.
- A result in this Target Range indicates that Council has a manageable level of debt and other liabilities.
- Negative percentage result in this ratio indicates that Council has more cash available than what is owed by Council in borrowings. Therefore, a negative result is a positive financial indicator for Council in this regard.
- The Net Financial Liabilities Ratio forecast for the 2025/2026 financial year is 42%. The above graph shows a reduction in the ratio over ten years. This is a result of increased revenue and a lowering of Council borrowings over the period.

Asset Renewal Funding Ratio – Indicator 3

Calculated as Expenditure on Renewal and Replacement of Assets (refer to Cash Flow Statement) relative to Council's Strategic Asset Management Plan (SAMP) – "Is Council replacing its assets at the same rate as the assets are wearing out?"



- Suggested target ratio: between 90% and 110% (Financial Indicators 2019 (LGA SA Information Paper 9),p.9). Council Target Range is 90% to 100%.
- A result within this Target Range indicates that sufficient funds have been allocated to replace Council assets.
- Expenditure on asset renewals is driven by the SAMP and the Asset Renewal Funding Ratio meets agreed targets.

Overall Assessment of Council's Financial Sustainability (based on the above Ratios)

The above ratios indicate that the ten-year LTFP is financially sustainable:

- Operating deficit is within the target range and expected to improve over life of the 10 year plan;
- Net Financial Liabilities are at acceptable levels; and
- Asset Renewal Funding Ratio is at acceptable levels.

MAJOR ASSUMPTIONS AND SETTINGS UNDERPINNING THE LONG TERM FINANCIAL PLAN

The City of Port Lincoln uses LG Solutions software to develop the core data sets and modelling for its LTFP.

The following key assumptions have been adopted:

- **Establish a Base** - to generate future year revenues and expenses, the model incorporates the prior year's audited financial figures, and the current year's budget estimates (2024/25 March Budget Review). Once these items have been entered and the balance sheet is in balance, future financial estimates are derived from the combination of the average of historical data and estimated future income and expenditure.
- **Customisation** - the model allows the basic appearance of the LTFP to be customised. Reporting formats are controlled from the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and Cash Flow Statement.
- **Indexation** - the model requires the mapping of general ledger accounts to develop global indexation items. Indexation percentages are applied to global indexation items for each year reported in the LTFP.

To determine the indexation percentage for each of the global indexation items, the following factors are predominantly considered:

- CPI (Consumer Price Index) – a measure of local price inflation for recurrent operational services,
- Wages – a discrete measure of salary and wage cost (i.e., workforce expenditure) growth, Enterprise Bargaining Agreements, staff reclassifications and Superannuation increases;
- Materials – costs associated with materials for operational and project costs.
- **New/Upgrade and Renewal Assets** - capitalised assets are recognised incorporating planned renewals of assets as identified in the SAMP and depreciation is calculated based on a pre-determined rate per asset class.
- **Borrowings** - A cash balance is calculated based on the information entered into the model; this is an automated procedure and cannot be manually adjusted. Where cash reserves are fully utilised (i.e. cash balance goes into overdraft), new borrowing may be planned to address issues of timing or prioritisation with regard to capital expenses as well as reviewing rate payer contributions.
- **Movement in Payables and Receivables** – The movement in payable and receivables is applied to income and expenditure as a percentage based on historical data averages.

The overall output of the LG Solutions LTFP is both sound and robust. It produces a concise set of reports in line with the Model Financial Statements and is capable of modelling multiple scenarios where various factors will work in combination to provide different long term financial performance.

KEY ISSUES AND CONSIDERATIONS

The 2026-2035 LTFP is based on the following key assumptions:

- Year 1 of the LTFP includes the Annual Budget 2025/26 figures;
- The projection of operational expenditures and revenues is driven by the 2025/26 operational budget base and includes:
 - o Financial Assistance Grants (revenue) forecast based on known adjusted amounts, assumed to be ongoing; and
 - o A net allocation of \$499,175 has been applied for operational new initiatives included in the 2025/26 Annual budget, which form part of the base of the forecasted amounts for grants, subsidies and contributions and materials contracts and other.
- Fully funded SAMP projected capital renewals and required maintenance levels:
 - o SAMP capital renewal works for the ten-year period to 2034/35 total \$49 million (including indexation).
- Rates revenues forecast in the LTFP are indexed as follows, equating to 2% above the Consumer Price Index (CPI) for years one and two and then 1 % above CPI for the remaining eight years. CPI for year one is based on the Adelaide March 2025 CPI, with the remaining years CPI based on an estimated 2.5%:
 - o Year 1: 4.2%
 - o Year 2: 4.5%
 - o Year 3-10: 3.5%
- Limited grant revenue:
 - o Operational:
 - on-going Federal Assistance Grants which are assumed to be received by Council in the correct allocated financial year, with indexation applied.

Council will continue to seek capital revenue opportunities to support its planned new capital expenditure, such as selling identified surplus land assets and renewed/replaced assets.

There is a stronger focus on capital renewals particularly in the first two years forecasted. This is driven by the SAMP and Council's direction ensuring its renewal program is fully funded each year.

Major renewal projects included in Council's 2025/26 budget;

- \$900,000 for road reseals;
- \$800,000 for improved drainage and design;
- \$832,444 for works to the marina pontoon; and
- \$500,000 for contributions to community venues and an additional \$50,000 for the renewal of public amenities.

Council plans to maintain the Cash and Cash Equivalents figure each financial year at a level that will fund all foreseeable operating requirements.

RISKS

Council acknowledges that there are potential risks to the achievement of the LTFP's objectives.

The following is a non-exhaustive list of identified potential risks:

- New Elected Members and review of Strategic Directions Plan results in a revised focus for Council's medium to long term plans;
- Assumptions, settings, drivers and considerations included in the LTFP do not occur or are significantly changed;
- Council does not receive the assumed grant funding revenues;
- The growth of the city, affecting both service and asset demands (costs) and rates revenue, is significantly either more or less than forecast;
- Enterprise Bargaining Agreement/s and other employment negotiations increase employee salary and wages costs above the amount provided for in the LTFP;
- Large scale capital projects go over budget.

In the event that future outcomes do not align with the forecast LTFP, a review of the LTFP will be required to incorporate the future outcomes and project the flow on financial implications to determine the financial sustainability of Council and the risks involved.

REVIEW PROCESS

The LTFP will be reviewed on an annual basis taking into consideration changes and updates to the SAMP, the most recent financial year's revised budget or audited statements and current year adopted or revised budget, including the specific commitments planned in the current ABP.

Council's CEO is legally obligated to report on the long term financial performance and position of Council and its ongoing sustainability. If there is any concern about Council's financial sustainability under existing revenue and expenditure policy settings, the CEO should report on strategies to remedy this exposure to achieve financial sustainability in the future.

Section 122 (6) of the Local Government Act provides that *"A council must adopt a process or processes to ensure that members of the public are given a reasonable opportunity to be involved in the development and review of its strategic management plans"*. Updates to the plans in the normal course of operations will not necessitate community consultation.

CEO SUSTAINABILITY STATEMENT

This LTFP demonstrates that Council is in a sustainable financial position over the ten-year period and has considered a structured financial strategy that includes appropriate debt and treasury management over the ten-year term of the plan.

The fundamental purpose of the LTFP is to demonstrate that Council has considered, based on best available information, the financial resources required to deliver on Council's recently updated 2025 – 2034 Strategic Directions Plan and the broader Strategic Management Framework including the Strategic Asset Management Plans, Annual Business Plans and other supporting plans and strategies.

When we assess our financial sustainability, we look at the following key financial indicators:

- Operating surplus/(deficit) ratio,
- Net financial liabilities ratio,
- Asset renewal funding ratio.

Whilst the operating results forecast net operating deficits for the first five years and operating surpluses from year six onwards, over the course of the LTFP, all financial ratios are in line with Council's established benchmarks to ensure the sustainability of Council's long-term financial performance and position.

Council aims to ensure that we have the financial capacity to continue to provide service levels which meet the needs of our community in a financially sustainable way by:

- Striving to continually improve our efficiency in the provision of existing and future services by proactively seeking out savings without affecting service delivery levels;
- Continuously improving our Asset Management Plans including how we monitor our assets, to ensure we are appropriately maintaining our assets;
- Maintaining our debt and interest costs within Council's established benchmarks and ensuring our capacity to service and repay this debt into the future; and
- Operating within the key financial indicators and benchmarks over the life of the LTFP to ensure we maintain a sound financial position.

There are several matters which may be considered as risks that have the potential to impact on Council's long term financial position, such as:

- Council's rates assume an average rate increase of:
 - o 4.2% for Year One,
 - o 4.5% for Year Two, and
 - o 3.5% for the remaining years of the LTFP.

This must however be sustainable and be balanced with the real cost of service provision, asset renewal and maintenance and service demand from the community.

- The assumed rate revenue increases were determined in conjunction with expected CPI and cost of materials.
- There are currently several unfunded aspirational projects and initiatives identified for further investigation in the Strategic Directions Plan, plus further strategic plans and other plans identified as needing to be developed. The development of these initiatives could

impact the long-term financial sustainability of Council if expectations are not managed appropriately.

- Council has increased the amount allocated for Operating New Initiatives in its Annual Budget 2025/26 and beyond to assist in these investigations and future plans.
- Changes to Local Government funding programs and potential risk in relation to cost shifting from the Federal and State Government to Local Government.
- Council has ageing infrastructure and has a need to focus more heavily on the renewal of its assets rather than acquiring or developing new assets. Specifically, ensuring that its renewal program as per the SAMP is fully funded each year.
- Council is progressing a review of our asset management data, condition assessment and maintenance practices. This will likely identify the need for more funding over the course of the LTFP for 'pro-active' asset maintenance to ensure longer serviceable life for our community's assets.

Long term financial planning is an interactive process, and the assumptions applied are reviewed annually during annual business plan and budget deliberations, using currently available information. This ensures Council continually reviews its financial performance and remains firmly focussed on maintaining long term financial sustainability.

CONCLUSION

The 10-Year Long-Term Financial Plan provides a clear and responsible roadmap for maintaining the financial sustainability of the Council, while continuing to deliver essential services, infrastructure, and community initiatives. It aligns with the Council's strategic objectives and meets the legislative requirements outlined in the Local Government Act 1999 (SA).

This Plan demonstrates Council's ongoing commitment to prudent financial management, with a focus on maintaining service levels, managing assets effectively, and ensuring that ratepayers receive value for money. It also recognises the need to remain flexible and responsive to changing economic conditions, population growth, and emerging community priorities.

Council will continue to review and update the Plan regularly, ensuring it remains aligned with changing circumstances, strategic priorities, and community feedback. Through transparent reporting and sound financial oversight, Council is well positioned to meet the challenges of the decade ahead and support a thriving, resilient community.

The LTFP will be reviewed and updated for current financial forecasts and to include any other variations to reflect updated strategic plans, projects, opportunities and financial position.

Council's LTFP will provide a sound platform for future decision-making and planning, with all Strategic Management Plans expected to evolve through future review processes to ensure that they are reflective of community expectations and priorities.

REFERENCES

Australian Accounting Standards, sited at [Standards Portal | AASB](#)

LGA SA, Financial Sustainability; Information Paper 1 – Financial Sustainability, revised Feb 2015
sited at website [LGA South Australia | LGA South Australia](#)

LGA SA, Financial Sustainability; Information Paper 8 – Long-term Financial Plans, revised Feb 2015
sited at website [LGA South Australia | LGA South Australia](#)

LGA SA, Financial Sustainability; Information Paper 9 - Financial Indicators, revised May 2015 sited at
website [financial_sustainability_information_paper_9.pdf](#)

Model Financial Statements, Local Government (Financial Management) Regulations 2011 –
regulation 5

National Financial Sustainability Study of Local Government, Commissioned by the Australian Local
Government Association, November 2006, sited at website [SGS-report-Long-term-trends-in-Australian-local-government-financial-sustainability.pdf](#)

Rising to the Challenge: Towards Financially Sustainable Local Government in South Australia,
published in August 2005, an Independent Inquiry into the Financial Sustainability of Local
Government, sited at website [LGA South Australia | LGA South Australia](#)

The Local Government Act 1999 (“The Act”)

APPENDIX A

FINANCIAL STATEMENTS

City of Port Lincoln

10 Year Financial Plan for the Years ending 30 June 2035

STATEMENT OF COMPREHENSIVE INCOME

	Actuals 2023/24 \$'000	Current Year 2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	Projected Years					
							2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000	2034/35 \$'000
Income												
Rates	17,777	18,887	19,665	20,550	21,270	22,014	22,785	23,582	24,407	25,262	26,146	27,061
Statutory Charges	387	342	385	394	404	414	425	435	446	457	469	481
User Charges	3,227	3,498	3,620	3,710	3,803	3,898	3,996	4,096	4,198	4,303	4,410	4,521
Grants, Subsidies and Contributions - operating	949	2,879	2,938	3,311	3,394	3,479	3,566	3,655	3,746	3,840	3,936	4,034
Grants, Subsidies and Contributions - capital	2,792	692	857	299	307	314	322	330	339	347	356	365
Investment Income	223	176	150	149	148	148	150	152	154	157	160	163
Reimbursements	507	1,794	822	843	864	886	908	930	954	978	1,002	1,027
Other Income	948	1,514	1,681	1,723	1,766	1,810	1,855	1,902	1,949	1,998	2,048	2,099
Total Income	26,810	29,782	30,119	30,981	31,956	32,963	34,006	35,082	36,194	37,342	38,527	39,750
Expenses												
Employee Costs	7,946	9,254	9,653	10,088	10,441	10,806	11,184	11,576	11,981	12,400	12,834	13,283
Materials, Contracts & Other Expenses	14,088	15,541	15,172	15,445	15,831	16,226	16,632	17,048	17,474	17,911	18,359	18,818
Depreciation, Amortisation & Impairment	4,807	5,198	5,328	5,461	5,598	5,738	5,881	6,028	6,179	6,333	6,492	6,654
Finance Costs	395	466	397	537	509	481	454	427	399	369	339	307
Total Expenses	27,236	30,459	30,550	31,531	32,379	33,251	34,152	35,079	36,033	37,014	38,024	39,062
Operating Surplus / (Deficit)	(426)	(677)	(431)	(550)	(423)	(288)	(146)	3	161	328	503	688
Asset Disposal & Fair Value Adjustments	(731)	-	-	-	-	-	-	-	-	-	-	-
Amounts Received Specifically for New or Upgraded Assets	1,481	1,511	578	446	458	469	481	493	505	518	531	544
Physical Resources Received Free of Charge	9	-	-	-	-	-	-	-	-	-	-	-
Net Surplus / (Deficit)	333	833	146	(103)	35	181	334	496	666	845	1,034	1,232
Total Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income	333	833	146	(103)	35	181	334	496	666	845	1,034	1,232

City of Port Lincoln

10 Year Financial Plan for the Years ending 30 June 2035

STATEMENT OF FINANCIAL POSITION

	Actuals 2023/24 \$'000	Current Year 2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	Projected Years					
							2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000	2034/35 \$'000
ASSETS												
Current Assets												
Cash & Cash Equivalents	4,393	4,332	2,753	3,458	2,391	2,913	3,797	4,932	5,311	6,944	5,141	4,690
Trade & Other Receivables	5,343	2,095	2,100	2,244	2,247	2,306	2,366	2,446	2,529	2,615	2,702	2,793
Other Current Assets	-	108	112	117	48	37	33	16	17	18	19	-
Total Current Assets	9,736	6,534	4,965	5,818	4,686	5,256	6,196	7,394	7,857	9,577	7,862	7,483
Non-Current Assets												
Financial Assets	375	417	305	188	140	107	91	74	56	37	19	-
Infrastructure, Property, Plant & Equipment	244,126	247,587	248,902	248,521	249,138	248,235	247,091	245,836	245,484	244,031	246,177	247,159
Other Non-Current Assets	413	-	-	-	-	-	-	-	-	-	-	-
Total Non-Current Assets	244,914	248,004	249,207	248,709	249,278	248,342	247,182	245,910	245,540	244,068	246,196	247,159
TOTAL ASSETS	254,650	254,538	254,172	254,527	253,964	253,598	253,378	253,304	253,396	253,645	254,058	254,643
LIABILITIES												
Current Liabilities												
Trade & Other Payables	3,811	3,443	3,444	4,577	4,678	4,781	4,887	4,996	5,108	5,224	5,343	5,465
Borrowings	7,689	514	674	698	650	661	679	686	713	740	769	636
Provisions	1,146	1,146	1,146	1,146	1,146	1,146	1,146	1,146	1,146	1,146	1,146	1,146
Total Current Liabilities	12,647	5,103	5,265	6,422	6,474	6,588	6,712	6,829	6,967	7,110	7,259	7,248
Non-Current Liabilities												
Borrowings	5,375	11,973	11,299	10,601	9,951	9,291	8,611	7,925	7,213	6,472	5,703	5,067
Provisions	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444
Total Non-Current Liabilities	6,819	13,417	12,743	12,045	11,395	10,734	10,055	9,369	8,656	7,916	7,147	6,511
TOTAL LIABILITIES	19,466	18,520	18,008	18,467	17,869	17,322	16,767	16,198	15,624	15,027	14,405	13,758
Net Assets	235,184	236,018	236,164	236,060	236,095	236,276	236,610	237,107	237,773	238,618	239,652	240,884
EQUITY												
Accumulated Surplus	45,214	46,157	46,323	46,220	46,255	46,436	46,770	47,266	47,932	48,778	49,812	51,044
Asset Revaluation Reserves	188,921	188,921	188,921	188,921	188,921	188,921	188,921	188,921	188,921	188,921	188,921	188,921
Other Reserves	1,049	939	919	919	919	919	919	919	919	919	919	919
Total Equity	235,184	236,018	236,164	236,060	236,095	236,276	236,610	237,107	237,773	238,618	239,652	240,884

City of Port Lincoln

10 Year Financial Plan for the Years ending 30 June 2035

STATEMENT OF CASH FLOWS

	Actuals 2023/24 \$'000	Current Year 2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	Projected Years					
							2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000	2034/35 \$'000
Cash Flows from Operating Activities												
Receipts:												
Rates Receipts	17,461	19,164	19,670	20,446	21,236	21,980	22,749	23,545	24,369	25,222	26,105	27,019
Statutory Charges	387	590	384	394	404	414	424	435	446	457	469	480
User Charges	1,749	5,551	3,617	3,708	3,801	3,896	3,993	4,093	4,195	4,300	4,408	4,518
Grants, Subsidies and Contributions (operating purpose)	447	2,923	2,937	3,302	3,392	3,477	3,564	3,653	3,744	3,838	3,934	4,032
Investment Receipts	223	176	150	149	148	148	150	152	154	157	160	163
Reimbursements	227	2,088	842	843	864	885	907	930	953	977	1,002	1,027
Other	412	2,049	1,695	1,739	1,764	1,808	1,854	1,900	1,947	1,996	2,046	2,097
Payments:												
Payments to Employees	(7,757)	(9,247)	(9,644)	(10,077)	(10,432)	(10,797)	(11,175)	(11,566)	(11,971)	(12,390)	(12,824)	(13,273)
Payments for Materials, Contracts & Other Expenses	(14,872)	(16,211)	(15,219)	(14,366)	(15,703)	(16,154)	(16,565)	(16,967)	(17,409)	(17,844)	(18,291)	(18,728)
Finance Payments	(323)	(466)	(397)	(537)	(509)	(481)	(454)	(427)	(399)	(369)	(339)	(307)
Net Cash provided (or used in) Operating Activities	(2,047)	6,617	4,036	5,601	4,965	5,175	5,446	5,748	6,031	6,344	6,669	7,028
Cash Flows from Investing Activities												
Receipts:												
Amounts Received Specifically for New/Upgraded Assets	1,481	1,511	578	446	458	469	481	493	505	518	531	544
Grants utilised for capital purposes	2,792	692	857	299	307	314	322	330	339	347	356	365
Sale of Replaced Assets	124	126	5	-	-	-	-	-	-	-	-	-
Repayments of Loans by Community Groups	558	93	108	112	117	48	33	16	17	18	19	18
Payments:												
Expenditure on Renewal/Replacement of Assets	(6,381)	(4,191)	(4,761)	(4,209)	(5,322)	(3,920)	(3,799)	(3,811)	(4,841)	(3,870)	(7,602)	(6,575)
Expenditure on New/Upgraded Assets	(7,369)	(4,182)	(1,887)	(871)	(893)	(915)	(938)	(962)	(986)	(1,010)	(1,036)	(1,062)
Net Purchase of Investment Securities	(468)	-	-	-	-	-	-	-	-	-	-	-
Loans Made to Community Groups	-	(150)	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Investing Activities	(9,263)	(6,101)	(5,100)	(4,222)	(5,334)	(4,003)	(3,901)	(3,934)	(4,966)	(3,998)	(7,732)	(6,710)
Cash Flows from Financing Activities												
Receipts:												
Proceeds from Borrowings	8,000	150	-	-	-	-	-	-	-	-	-	-
Proceeds from Aged Care Facility Deposits	190	-	-	-	-	-	-	-	-	-	-	-
Repayments of Borrowings	(1,251)	(625)	(511)	(671)	(694)	(646)	(656)	(675)	(682)	(708)	(735)	(764)
Repayment of Principal Portion of Lease Liabilities	(182)	(102)	(3)	(3)	(4)	(4)	(4)	(4)	(5)	(5)	(5)	(5)
Net Cash Flow provided (used in) Financing Activities	6,757	(577)	(514)	(674)	(698)	(650)	(661)	(679)	(686)	(713)	(740)	(769)
Net Increase/(Decrease) in Cash & Cash Equivalents	(4,553)	(61)	(1,579)	705	(1,067)	522	885	1,135	378	1,633	(1,803)	(451)
plus: Cash & Cash Equivalents - beginning of year	8,946	4,393	4,332	2,753	3,458	2,391	2,913	3,797	4,932	5,311	6,944	5,141
Cash & Cash Equivalents - end of the year	4,393	4,332	2,753	3,458	2,391	2,913	3,797	4,932	5,311	6,944	5,141	4,690
Cash & Cash Equivalents - end of the year	4,393	4,332	2,753	3,458	2,391	2,913	3,797	4,932	5,311	6,944	5,141	4,690
Cash, Cash Equivalents & Investments - end of the year	4,393	4,332	2,753	3,458	2,391	2,913	3,797	4,932	5,311	6,944	5,141	4,690

City of Port Lincoln
10 Year Financial Plan for the Years ending 30 June 2035
STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY		Actuals	Current Year	Projected Years								
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening Balance	234,851	235,184	236,018	236,164	236,060	236,095	236,276	236,610	237,107	237,773	238,618	239,652
Net Surplus / (Deficit) for Year	333	833	146	(103)	35	181	334	496	666	845	1,034	1,232
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income	333	833	146	(103)	35	181	334	496	666	845	1,034	1,232
Equity - Balance at end of the reporting period	235,184	236,018	236,164	236,060	236,095	236,276	236,610	237,107	237,773	238,618	239,652	240,884

APPENDIX B

DRIVERS AND ASSUMPTIONS

GENERAL ASSUMPTION DRIVERS

	Year	CPI	Wages	Materials	Rates
year 1	2025/26	2.2%			4.2%
year 2	2026/27	2.5%	4.5%	2.5%	4.5%
year 3	2027/28	2.5%	3.5%	2.5%	3.5%
year 4	2028/29	2.5%	3.5%	2.5%	3.5%
year 5	2029/30	2.5%	3.5%	2.5%	3.5%
year 6	2030/31	2.5%	3.5%	2.5%	3.5%
year 7	2031/32	2.5%	3.5%	2.5%	3.5%
year 8	2032/33	2.5%	3.5%	2.5%	3.5%
year 9	2033/34	2.5%	3.5%	2.5%	3.5%
year 10	2034/35	2.5%	3.5%	2.5%	3.5%

Consumer Price Index (CPI)

- The CPI represents estimated local price inflation for recurrent operational services.
- The Reserve Bank, in setting a target for economic growth, takes the position of achieving between 2%-3% as part of its Monetary Policy strategy. Following two years above the RBA's target CPI level, Adelaide CPI has dropped back to 2.2% in March 2025.

General Expenses and Capital Indexation

- The measure used to estimate cost increases of activities was based on CPI.
- New and renewal asset expenditure as per the SAMP is also indexed.

Wages

- Council's current Enterprise Bargaining Agreement is scheduled to conclude on 30 June 2025 which had an agreed increase of the greater of 2.5% or CPI.
- Wages have been indexed at CPI plus 2% for year two and CPI plus 1% for years three to ten.

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